

SENATE BILL REPORT

SB 6671

As Reported by Senate Committee On:
Health & Long-Term Care, February 4, 2010

Title: An act relating to emergency departments that are not physically connected to a hospital.

Brief Description: Concerning emergency departments that are not physically connected to a hospital. [**Revised for 1st Substitute:** Concerning freestanding emergency rooms.]

Sponsors: Senators Pflug, Marr and Keiser.

Brief History:

Committee Activity: Health & Long-Term Care: 1/27/10, 2/04/10 [DPS, DNP, w/oRec].

SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

Majority Report: That Substitute Senate Bill No. 6671 be substituted therefor, and the substitute bill do pass.

Signed by Senators Keiser, Chair; Pflug, Ranking Minority Member; Becker, Fairley and Parlette.

Minority Report: Do not pass.

Signed by Senator Marr.

Minority Report: That it be referred without recommendation.

Signed by Senator Murray.

Staff: Edith Rice (786-7444)

Background: The Certificate of Need (CON) Program is operated by the Department of Health (DOH) under direction of the secretary's designee. A CON is required before a health care provider can offer certain new or expanded services. Some examples are the construction or sale of a hospital, or an increase in the number of licensed hospital or nursing home beds. The purpose for a CON process is to ensure that new services proposed by health care providers are needed within a particular region.

Health care provider CON applications must address the need for such services, the availability of less costly or more effective alternative methods of providing such services, financial feasibility and impact on health care costs in the community, quality assurance and

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cost effectiveness, as well as other factors. DOH is authorized to charge fees to cover the full cost for CON review or request for exemption.

Summary of Bill (Recommended Substitute): The Legislature takes note that the certificate of need process needs further review before any new facility categories are subjected to the certificate of need review. A two-year moratorium is established for the approval of freestanding emergency rooms not already under construction. The Washington State Hospital Association is permitted to sponsor and fund a study of freestanding emergency rooms. The study should address access to care, safety, quality, costs, and impact upon the delivery of existing emergency services. A report with recommendations is due to the Legislature by January 1, 2011.

EFFECT OF CHANGES MADE BY HEALTH & LONG-TERM CARE COMMITTEE (Recommended Substitute): The original bill was replaced.

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Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony on Original Bill: PRO: Hospitals currently compete to grab more health care dollars. Creating stand-alone emergency rooms is another way to get more of those resources. It should come under some kind of control. At the very least there should be a moratorium on creating stand-alone emergency rooms until we can determine their impact. These ERs are not equipped to handle large scale emergencies and they duplicate existing services. This causes costs to go up for everyone. A review of these facilities with community involvement will help us better understand their impact.

CON: Stand-alone ERs can provide high level quality care to communities with a significant population growth. They are already subject to federal regulation; red tape will prohibit their development. A stand-alone ER is just one tool to provide quality care. The Washington State Hospital Association (WSHA) has members on both sides of this issue, but we think that the CON process should be fixed and running better before adding yet another task for them to perform.

Persons Testifying: PRO: Rick Green, Rodger McCollum, Snoqualmie Valley Hospital; Caitlin Hillary, Overlake Hospital; Dr. Joe Gifford, Regence Blue Shield.

CON: Dr. John Milne, Swedish Medical Center; Robb Menaul, WSHA.